



UNITED STATES PATENT AND TRADEMARK OFFICE

UNITED STATES DEPARTMENT OF COMMERCE
United States Patent and Trademark Office
Address: COMMISSIONER FOR PATENTS
P.O. Box 1450
Alexandria, Virginia 22313-1450
www.uspto.gov

| APPLICATION NO. | FILING DATE | FIRST NAMED INVENTOR | ATTORNEY DOCKET NO. | CONFIRMATION NO. |
|-----------------|-------------|----------------------|---------------------|------------------|
| 09/769,999 | 01/25/2001 | David A. Seaman | 36287-00701 | 5423 |

27171 7590 06/10/2005

MILBANK, TWEED, HADLEY & MCCLOY LLP
1 CHASE MANHATTAN PLAZA
NEW YORK, NY 10005-1413

EXAMINER

WEISBERGER, RICHARD C

| | |
|----------|--------------|
| ART UNIT | PAPER NUMBER |
|----------|--------------|

3624

DATE MAILED: 06/10/2005

Please find below and/or attached an Office communication concerning this application or proceeding.

Office Action Summary

Application No.

09/769,999

Applicant(s)

SEAMAN, DAVID A.

Examiner

Richard C Weisberger

Art Unit

3624

-- The MAILING DATE of this communication appears on the cover sheet with the correspondence address --

Period for Reply

A SHORTENED STATUTORY PERIOD FOR REPLY IS SET TO EXPIRE 3 MONTH(S) FROM THE MAILING DATE OF THIS COMMUNICATION.

- Extensions of time may be available under the provisions of 37 CFR 1.136(a). In no event, however, may a reply be timely filed after SIX (6) MONTHS from the mailing date of this communication.
- If the period for reply specified above is less than thirty (30) days, a reply within the statutory minimum of thirty (30) days will be considered timely.
- If NO period for reply is specified above, the maximum statutory period will apply and will expire SIX (6) MONTHS from the mailing date of this communication.
- Failure to reply within the set or extended period for reply will, by statute, cause the application to become ABANDONED (35 U.S.C. § 133). Any reply received by the Office later than three months after the mailing date of this communication, even if timely filed, may reduce any earned patent term adjustment. See 37 CFR 1.704(b).

Status

- 1) ☐ Responsive to communication(s) filed on ____.
- 2a) ☐ This action is FINAL. 2b) ☒ This action is non-final.
- 3) ☐ Since this application is in condition for allowance except for formal matters, prosecution as to the merits is closed in accordance with the practice under *Ex parte Quayle*, 1935 C.D. 11, 453 O.G. 213.

Disposition of Claims

- 4) ☒ Claim(s) 1-54 is/are pending in the application.
- 4a) Of the above claim(s) _____ is/are withdrawn from consideration.
- 5) ☐ Claim(s) _____ is/are allowed.
- 6) ☒ Claim(s) 1-54 is/are rejected.
- 7) ☐ Claim(s) _____ is/are objected to.
- 8) ☐ Claim(s) _____ are subject to restriction and/or election requirement.

Application Papers

- 9) ☐ The specification is objected to by the Examiner.
- 10) ☒ The drawing(s) filed on 25 January 2001 is/are: a) ☒ accepted or b) ☐ objected to by the Examiner.
- Applicant may not request that any objection to the drawing(s) be held in abeyance. See 37 CFR 1.85(a).
- Replacement drawing sheet(s) including the correction is required if the drawing(s) is objected to. See 37 CFR 1.121(d).
- 11) ☐ The oath or declaration is objected to by the Examiner. Note the attached Office Action or form PTO-152.

Priority under 35 U.S.C. § 119

- 12) ☐ Acknowledgment is made of a claim for foreign priority under 35 U.S.C. § 119(a)-(d) or (f).
- a) ☐ All b) ☐ Some * c) ☐ None of:
- ☐ Certified copies of the priority documents have been received.
 - ☐ Certified copies of the priority documents have been received in Application No. _____.
 - ☐ Copies of the certified copies of the priority documents have been received in this National Stage application from the International Bureau (PCT Rule 17.2(a)).

* See the attached detailed Office action for a list of the certified copies not received.

Attachment(s)

- ☒ Notice of References Cited (PTO-892)
- ☐ Notice of Draftsperson's Patent Drawing Review (PTO-948)
- ☐ Information Disclosure Statement(s) (PTO-1449 or PTO/SB/08)
Paper No(s)/Mail Date _____
- ☐ Interview Summary (PTO-413)
Paper No(s)/Mail Date. _____
- ☐ Notice of Informal Patent Application (PTO-152)
- ☐ Other: _____

Claim Rejections - 35 USC § 101

1. 35 U.S.C. 101 reads as follows:

Whoever invents or discovers any new and useful process, machine, manufacture, or composition of matter, or any new and useful improvement thereof, may obtain a patent therefor, subject to the conditions and requirements of this title.

Claims 1-11 and 14-54 are rejected under 35 U.S.C. 101 because the claimed invention is directed to non-statutory subject matter. Statutory method claims require technology in the body of the claims. The technology must be claimed in a nontrivial manner. The instant claims lack this technology. The software code of claim 11 is nonstatutory as it is not embedded on a tangible medium.

Claim Rejections - 35 USC § 112

2. Claim 1-54 are rejected under 35 U.S.C. 112, second paragraph, as being indefinite for failing to particularly point out and distinctly claim the subject matter which applicant regards as the invention.

The step of "offering an exchangeable security at the discounted price of the underlying security" is vague and indefinite. The method of discounting is vague and indefinite.

Also, the exchangeable security priced at the price of the discounted security is vague?

How is this price determined. Also, in the claims, "calculating a payment amount" is

vague. The pricing method should be expressly defined. Also, the scope of claim 11 is

vague and indefinite as it is not clear how each of these steps are determined. Also, in

the claims, calculating a linked payment is vague and indefinite. It is not clear how the payment is calculated or how it is linked.

Art Unit: 3624

Claim Rejections - 35 USC § 102.

3. The following is a quotation of the appropriate paragraphs of 35 U.S.C. 102 that form the basis for the rejections under this section made in this Office action:

A person shall be entitled to a patent unless –

(b) the invention was patented or described in a printed publication in this or a foreign country or in public use or on sale in this country, more than one year prior to the date of application for patent in the United States.

4. Claims 1-54 are rejected under 35 U.S.C. 102(b) as being anticipated by

<http://www.cme.com/edu>


The claims read on conventional futures contracts and therefor read on the programmed trading and clearing systems employed in the futures industry. The reference teaches that the Chicago Mercantile Exchange launched its first stock index futures contract, the S&P 500[®] contract, in 1982. Inherent in this teaching are the trading systems, the clearing house mechanisms, the cash flow calculations, the timing options, and the monitoring of the claimed invention. That is, the examiner takes official notice that the trading systems, the clearing house mechanisms, the cash flow calculations, the timing options, and the monitoring of the claimed invention are inherent in the art of futures. Given their broadest reasonable interpretation, the exchangeable security products of the claimed invention read on futures contracts and these contracts and the trading thereof fully anticipate the claimed invention.

Any inquiry concerning this communication or earlier communications from the examiner should be directed to Richard C Weisberger whose telephone number is 571

Art Unit: 3624

272 6753. If attempts to reach the examiner by telephone are unsuccessful, the examiner's supervisor, Vince Millin can be reached on 571 272 6747.

Information regarding the status of an application may be obtained from the Patent Application Information Retrieval (PAIR) system. Status information for published applications may be obtained from either Private PAIR or Public PAIR. Status information for unpublished applications is available through Private PAIR only. For more information about the PAIR system, see <http://pair-direct.uspto.gov>. Should you have questions on access to the Private PAIR system, contact the Electronic Business Center (EBC) at 866-217-9197 (toll-free).

 Richard C. Weisberger
Primary Examiner
Art Unit 3624

Claim Rejections - 35 USC § 101

1. 35 U.S.C. 101 reads as follows:

Whoever invents or discovers any new and useful process, machine, manufacture, or composition of matter, or any new and useful improvement thereof, may obtain a patent therefor, subject to the conditions and requirements of this title.

Claims 1-11 and 14-54 are rejected under 35 U.S.C. 101 because the claimed invention is directed to non-statutory subject matter. Statutory method claims require technology in the body of the claims. The technology must be claimed in a nontrivial manner. The instant claims lack this technology. The software code of claim 11 is nonstatutory as it is not embedded on a tangible medium.

Claim Rejections - 35 USC § 112

2. Claim 1-54 are rejected under 35 U.S.C. 112, second paragraph, as being indefinite for failing to particularly point out and distinctly claim the subject matter which applicant regards as the invention.

The step of "offering an exchangeable security at the discounted price of the underlying security" is vague and indefinite. The method of discounting is vague and indefinite.

Also, the exchangeable security priced at the price of the discounted security is vague?

How is this price determined. Also, in the claims, "calculating a payment amount" is vague. The pricing method should be expressly defined. Also, the scope of claim 11 is vague and indefinite as it is not clear how each of these steps are determined. Also, in the claims, calculating a linked payment is vague and indefinite. It is not clear how the payment is calculated or how it is linked.

Claim Rejections - 35 USC § 102

3. The following is a quotation of the appropriate paragraphs of 35 U.S.C. 102 that form the basis for the rejections under this section made in this Office action:

A person shall be entitled to a patent unless –

(b) the invention was patented or described in a printed publication in this or a foreign country or in public use or on sale in this country, more than one year prior to the date of application for patent in the United States.

4. Claims 1-54 are rejected under 35 U.S.C. 102(b) as being anticipated by

<http://www.cme.com/edu>

The claims read on conventional futures contracts and therefor read on the programmed trading and clearing systems employed in the futures industry. The reference teaches that the Chicago Mercantile Exchange launched its first stock index futures contract, the S&P 500® contract, in 1982. Inherent in this teaching are the trading systems, the clearing house mechanisms, the cash flow calculations, the timing options, and the monitoring of the claimed invention. That is, the examiner takes official notice that the trading systems, the clearing house mechanisms, the cash flow calculations, the timing options, and the monitoring of the claimed invention are inherent in the art of futures. Given their broadest reasonable interpretation, the exchangeable security products of the claimed invention read on futures contracts and these contracts and the trading thereof fully anticipate the claimed invention.

Any inquiry concerning this communication or earlier communications from the examiner should be directed to Richard C Weisberger whose telephone number is 571

Art Unit: 3624

272 6753. If attempts to reach the examiner by telephone are unsuccessful, the examiner's supervisor, Vince Millin can be reached on 571 272 6747.

Information regarding the status of an application may be obtained from the Patent Application Information Retrieval (PAIR) system. Status information for published applications may be obtained from either Private PAIR or Public PAIR. Status information for unpublished applications is available through Private PAIR only. For more information about the PAIR system, see <http://pair-direct.uspto.gov>. Should you have questions on access to the Private PAIR system, contact the Electronic Business Center (EBC) at 866-217-9197 (toll-free).

Richard C Weisberger
Primary Examiner
Art Unit 3624

A handwritten signature in black ink, appearing to be 'R. Weisberger', enclosed within a large, loopy circular flourish.